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Guam

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I. General

1. Guam is a Non-Self-Governing Territory administered by the United States of America. Guam is the southernmost and largest of the Mariana Islands in the Pacific, situated about 1,350 miles south of Tokyo and 3,700 miles west-south-west of Hawaii. It consists of a single island of approximately 212 square miles. It comprises two distinct geological areas of about equal size. The northern part of the island is a high coralline limestone plateau and the southern region is mountainous. Apra Harbour, which is located on the central western side of the island, is one of the largest protected harbours in the Pacific and is considered to be the finest deep water port between Hawaii and the Philippines. The capital city of Guam is Hagåtña, also known as Agana.

2. When the first Spanish missionaries came to Guam late in the seventeenth century, it was inhabited only by the indigenous people of Chamorros. They are believed to be of Mayo-Polynesian descent. Today, the Chamorros comprise just over one third of the population and play an active role in the political and social life of the island, which has evolved into a multi-ethnic society.¹ According to the United States Census Bureau International Data Base, Guam's population for 2007 was 173,456, an increase from 171,019 in 2006. The main ethnic composition of the population is approximately 37 per cent Chamorro, 26 per cent Filipino, 11 per cent other Pacific islanders, and 26 per cent Chinese, Japanese, Korean and others.² English and Chamorro are the official languages. The population growth rate in 2007 was estimated to be 1.4 per cent.²

3. The majority of the population is Roman Catholic (85 per cent), with other Christian denominations also represented.²

II. Constitutional, legal and political issues

4. Guam was administered by the United States Department of the Navy until 1950, when the United States Congress enacted the Guam Organic Act, which established institutions of local government and made Guam an organized Territory. Since then, the Territory has been administered by the Department of the Interior. Guam is an unincorporated Territory since not all provisions of the United States Constitution apply to the island. According to United States law, Guam, as an unincorporated Territory, is a possession of the United States but not part of the United States.

A. Constitutional structure

5. Guam has a locally elected Government, which comprises separate executive, legislative and judicial branches. Universal suffrage with respect to local elections applies to Guamanians 18 years and older. Guamanians are citizens of the United

Note: The information contained in the present paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 e of the Charter of the United Nations.

¹ www.doi.gov.oia.

² Central Intelligence Agency, *The World Factbook 2008*, Guam (see www.cia.gov).

States, but they are not eligible to vote in United States presidential elections while resident in the Territory. The people of Guam elect a Governor, who serves a four-year term. The current Governor, Felix P. Camacho, assumed that post in January 2003 and was re-elected in 2006. The Governor is responsible for the general supervision and control of the executive branch and submits an annual report to the United States Secretary of the Interior for transmission to Congress. The Governor may issue executive orders and regulations, recommend bills to the Legislature, make his views known to that body and veto legislation.

6. The people also elect 15 senators, who serve two-year terms in a unicameral Legislature. The Legislature may override the Governor's veto. Under the Organic Act of 1950, the United States Congress reserves the authority to annul any law enacted by the Guam Legislature.

7. In 1972, Guam was granted one non-voting delegate to the United States House of Representatives. The delegate, who serves a two-year term, may vote in committee and, since January 2007, on the floor. The change is largely symbolic, however, as territorial delegates are allowed to vote only on floor amendments, not on final approval of bills.³

8. As a result of the vote for the 29th Guam Legislature in January 2007, the Republican majority dropped from nine to eight seats, with the Democrats holding seven seats. In January 2008, however, following the death of a Republican Senator, a special election was held which filled the vacant senatorial seat with a Democratic candidate, thereby handing the Democrats a majority within the Legislature. Discussions are currently ongoing as to how to reconcile a Democratic majority while the leadership positions are held by Republicans. Some Democrats believe that a switch in the majority should mean a switch in leadership. Republicans, meanwhile, refer to the rules of the Legislature, which require 12 votes to remove senators in leadership positions. Changing the Legislature's rules would require at least 10 votes.⁴ As for the election of Guam's Delegate to the United States Congress, Democrat Madeleine Bordallo ran unopposed and was re-elected for her third two-year term.⁵

B. Legal system

9. The judicial system in Guam comprises both local and federal components. The local judicial system is made up of a Superior Court and a Supreme Court led by judges appointed by the Governor and confirmed by the Legislature. Local judges are subject to confirmation by the voters every six years. At the federal level, a District Court judge, appointed by the President of the United States, is the head of the United States District Court for Guam. In 1998, Congress adopted an amendment to the Organic Act of Guam allowing the Guam Legislature to elect its own Attorney General for a four-year term. Attorney General Alicia G. Limtiaco, who took office in 2007, is the Chief Legal Officer of the Government of Guam, and the first female to fill the position. The Office of the Attorney General provides

³ *The New York Times*, 25 January 2007.

⁴ *Pacific Daily News*, www.guampdn.com, 8 January 2008.

⁵ *Ibid.*, 8 November 2006.

legal services to the Government of Guam and is empowered with prosecutorial authority.

10. An amendment to the Organic Act, which established the judiciary of Guam as an independent branch of Government, became law in 2004.⁶ The law also confirmed the appellate jurisdiction and administrative authority of the Supreme Court of Guam over all inferior courts in the Territory, thereby effectively establishing a unified local judiciary.

C. Political parties and elections

11. Guam has two main political parties, the Republican Party and the Democratic Party, which are local chapters of the two main United States political parties. In November 2006, the Republican incumbent, Felix Camacho, defeated former Democratic Congressman Robert Underwood by 864 votes and was re-elected Governor. Mr. Underwood contested the result on the basis of how the vote was counted, but in May 2007, the United States Supreme Court denied Mr. Underwood's petition to hear the issue.⁷ (For more details, see the 2007 working paper (A/AC.109/2007/16, para. 11)).

D. Political issues

12. Periodically, there have been moves in Guam to change the island's political status. In a 1976 referendum Guamanians decided to maintain close ties with the United States, but also to begin negotiations to improve the Territory's status. In 1979, the people of Guam rejected a draft constitution by a margin of five to one, mainly on the grounds that the question of political status had to be resolved before a meaningful constitution could be drafted. Another referendum took place in 1982, with 73 per cent of voters opting to pursue commonwealth status with the United States.

13. A Commission on Self-Determination, established in 1984, completed a draft Commonwealth Agreement in 1986 (a summary is contained in the 2001 working paper (A/AC.109/2001/4)). However, ongoing discussions from 1989 to 1997 between the Commission and the United States Government on the Commonwealth Agreement did not reach a resolution (see A/AC.109/2000/6, paras. 19-22, A/AC.109/1192, paras. 19-37, and A/AC.109/2018, paras. 74-83). In 1997, Guam Public Law 23-147 established a Commission on Decolonization for the Implementation and Exercise of Chamorro Self-Determination, an important but controversial issue within the Chamorro population (see also para. 65 below). That Commission, in concert with a process of registration of eligible voters organized by the Guam Election Commission, was to oversee the conduct of a vote on the Chamorro people's status preferences of either independence, integration or free association, in accordance with international standards.

⁶ Information transmitted to the Secretary-General by the Government of the United States under Article 73 e of the Charter of the United Nations, in February 2006.

⁷ <http://www.kuam.com/news/22658.aspx>.

14. In 2000, the Guam Legislature provided the Guam Election Commission with the power to set the date of the decolonization plebiscite, which was expected to ask the Territory's indigenous people to choose between statehood, independence or free association with the United States. The plebiscite would have been non-binding but would have set the course of any future discussions of political status with the administering Power. The vote, scheduled to take place on 2 November 2004, was postponed because eligible voters had not been identified and registered. (Further details are contained in the 2007 working paper (A/AC.109/2007/16, paras. 12-16)). To date, no further action has been reported.

III. Budget

15. Guam's fiscal year covers the period 1 October to 30 September.² The budget of Guam comprises revenues received by the Government of Guam and federal grants generally, allocated to particular sectors through the Department of the Interior on an ad hoc basis. The Governor has the power to veto a budget bill, following which the bill is returned to the Legislature, which can either override the Governor's veto by a special majority or reconsider the bill.

16. In his 2007 State of the Island Address,³ the Governor referred to the present situation of the Government's finances as a "financial crisis" that could no longer be ignored and could not be addressed by "short-term solutions". He pointed out that with the exception of 2004, the deficit had been rising since 1998 and that the Government could no longer sustain its current level of operations.

17. On 23 February 2007, before declaring a financial "state of emergency", Governor Camacho signed an executive order instituting government-wide austerity measures intended to drastically cut government spending. The order placed restrictions on public hiring, promotions, travel, overtime and other government functions.⁴ More specifically, the Governor called for 13 million United States dollars (US\$) worth of spending cuts,⁵ \$15 million worth of tax and fee increases and a \$34 million loan to avoid laying off any public sector employees.⁶

18. In June 2007, as part of the 2008 Executive Budget, Governor Camacho announced a Fiscal Recovery and Deficit Elimination Plan intended to eliminate the deficit and create reserves by 2014. However, in January 2008, while laying out the 2009 Executive Budget, the Governor announced that the current deficit was over \$500 million, and stated that with the financial year 2008 estimated revenues, spending plan and bond initiatives, the Government would still be facing a deficit of \$400 million by the 2014 target.¹⁰ The budget for financial year 2008 was signed into law by Governor Camacho on 29 September 2007, just one day before the fiscal year ended, owing to his strong reservations and concerns about a funding shortfall of \$45 million in the areas of health, safety and education alone. He also pointed out that the budget provided no comprehensive plan to address the remaining deficit. The Governor noted that the budget passed by the Legislature was significantly different from the budget proposed by him, which included a deficit elimination

² State of the Island Address, 19 February 2007.

³ The United States dollar is the official currency of Guam.

¹⁰ The Fiscal Year 2009 Executive Budget, www.guamgovernor.net.

plan, but said that he had signed it into law to avoid a shutdown of government services.¹¹

19. The Guam Administration projects a revenue level of \$521 million for fiscal year 2009, a 6 per cent growth from the 2008 projected revenue of \$489.9 million. The projection is based on increases in tourism, construction, military investments and federal cash inflows.¹⁰

20. In 2007, Guam's accumulated deficit reached \$511 million. Major positions which make up this deficit are \$123 million tied to a ruling related to cost-of-living-allowances (COLA) for retirees and \$90 million owed in tax credits. In the COLA case, the Government owes the money to about 4,000 retirees because of a law that was in effect between 1988 and 1995, which required an adjusted COLA for retirees, based on the amount of the retirement check and changes in the cost of living. Retirees instead were paid a flat amount of \$1,800.¹² The tax credit ruling, known as earned income tax credit, is based on a case filed on behalf of Guam's working poor who were not able to claim an earned income tax credit on tax return forms in 1997 and 1998. In September 2007, the Guam Department of Revenue and Taxation started to distribute \$8 million and another \$14 million in December 2007 to the retirees, although the total payments will be only 10/15ths of what the retirees are owed. On 5 March 2008, Governor Camacho signed a document freeing up another \$9 million for partial COLA payments.¹³

21. The Administration had planned to address the deficit by borrowing money on the bond market, under provisions in Guam law that allow the Governor to borrow as much as \$770 million in that manner. The Attorney General, however, argued that additional borrowing would exceed the legal debt limit set under the Organic Act. In March 2007, the United States Supreme Court ruled in favour of the Attorney General.¹⁴ Based on the calculation of Guam's Public Auditor, the amount available for bond borrowing by the Government of Guam is \$155.2 million.¹⁵

IV. Economy

A. General

22. According to the Guam Visitors Bureau Five-Year Strategic Plan, tourism is the largest single sector in Guam's economy, generating 60 per cent of the island's revenue and contributing \$1.35 billion to the local economy in 2006. The latest available data from the Guam Economic Development and Commerce Authority, show that after tourism the economy is 30 per cent dependent on the military; and approximately 5-10 per cent on other industries.¹⁶ These numbers are, however, likely to change as a result of an upcoming military expansion (see also para. 24 below). The construction sector in particular, an important contributor to the economy, is expected to see rapid growth in the coming years, particularly with the expected military expansion. The farming and fishing sectors are relatively well

¹¹ www.guam.gov, and www.kuam.com, 29 September 2007.

¹² www.guampdn.com, 19 March 2007.

¹³ www.guam.gov, 2 April 2007 and 6 March 2008.

¹⁴ http://www.oyes.org/cses/2002-2009/2006/2006_06_116.

¹⁵ *Government of Guam Debt Ceiling Calculation 2007*, <http://www.guamopa.com>.

¹⁶ *Pacific Daily News*, 31 March 2005, www.guampdn.com.

developed; vegetables, citrus and tropical fruits, coconuts and sugar cane are grown and livestock, especially poultry, is raised. Manufacturing sectors include textiles and garment production, cement and plastics.¹⁷

23. Guam is a duty-free port and an important distribution point for goods destined for Micronesia. Re-exports constitute a high proportion of Guam's exports, which include petroleum products, iron and steel scrap, automobiles, tobacco and cigars, among others. In 2006, Guam's principal trading partners for imports and exports were to a large extent overlapping. Japan was the largest buyer of Guam's exported goods (70.1 per cent), followed by Republic of Korea (17.3 per cent) and Singapore (5.4 per cent). Key partners for Guam's imports were Singapore (35.8 per cent), Japan (22.2 per cent), Republic of Korea (17.5 per cent), and Hong Kong (11.3 per cent).²

24. The gross domestic product (GDP) of Guam in 2006 was estimated at \$2.8 billion, which was equivalent to \$15,969 GDP per capita compared to \$46,000 per capita for the United States Mainland.² With the strong growth expected for the military sector, approximately \$15 billion in military spending has been announced over the next decade, of which \$10.3 billion will be used to fund the relocation of 8,000 marines and their dependents from Okinawa, Japan, to Guam. According to the First Hawaiian Bank, which has three branches in Guam, additional military spending alone of an anticipated \$1.5 billion in 2008, is expected to spur economic growth of around 18 per cent.¹⁸

25. A report published by the Guam Department of Revenue and Taxation noted that Guam's tax base has eroded over the years owing to a variety of federal and local tax breaks. In 2006, individual income tax collections fell to \$40 million from almost \$45 million in 1999, while corporate tax collections fell from \$250 million to \$190 million in the same period, despite falling unemployment numbers.¹⁹

B. Primary economic sectors

1. Agriculture and fisheries

26. In February 2008, the United States Department of Agriculture announced four rural development programmes to support businesses and small minority producers in rural areas, including Guam. The aim of the programme is to promote entrepreneurship and help local businesses to get access to capital, technical assistance and new markets for their products and services. The programmes provide grants and zero-interest loans for job-creation projects, training, and the setting up of cooperatives.²⁰ More information on developments in the area of agriculture and fisheries can be found in the 2006 working paper (A/AC.109/2006/8).

2. Manufacturing/industry

27. One of the major industries on Guam is construction. In December 2007, the United States House of Representatives passed the National Defense Authorization

¹⁷ "Guam" (see www.encyarta.com).

¹⁸ Economic Forecast — Guam Edition 2006-2007, First Hawaiian Bank, pp. 1, 12.

¹⁹ www.kuam.com, 15 March 2007.

²⁰ www.guampdn.com, 13 February 2008.

Act for fiscal year 2008, which included a total of \$290.7 million for military construction projects on Guam, an increase of nearly \$100 million from the previous year. The projects will improve critical infrastructure for the military build-up.²¹

3. Tourism

28. Tourism is the largest single sector in Guam's economy and generates about 60 per cent of the Territory's revenue according to Guam Visitors Bureau, and accounts for 35 per cent of total jobs. In 2006, it generated about \$1.35 billion to the economy.²²

29. Slightly more than 1.2 million visitors arrived in 2007, which represents a small increase of 1 per cent compared to the numbers in 2006.²³ According to Guam Visitors Bureau statistics, Japanese tourist arrivals declined 1 per cent, from 875,413 to 789,793, during the first 11 months of 2007 compared to the same period in 2006. Tourists from Japan make up about 80 per cent of total arrivals on the island. The percentage of Japanese tourists with an income of more than \$60,000 who visit Guam has steadily increased from 9 per cent in 2005 to 37 per cent in 2007; more affluent visitors are being attracted by a vast improvement in the facilities the island has to offer, according to the Visitor Bureau Manager Gerry Perez. Another important strategic segment of the market from Japan are wedding-related visits. Almost one in four overseas weddings for Japanese couples is held on Guam, where prices for weddings are about half or a third of the price in Japan.²⁴ During the first 11 months of 2007, South Korean tourist numbers increased about 5 per cent compared to the numbers for the same period in 2006, while United States visitors now account for almost 3 per cent of Guam's tourism market, up from what used to be less than 1 per cent.

30. On 2 March 2007, the Guam Visitors Bureau published a five-year strategic plan to diversify and raise Guam's yearly visitor arrivals to 1.5 million. In September 2007, an agreement was reached to initiate direct flights from Beijing in 2008. At the signing ceremony for the agreement in September 2007, attended by over 100 people from China's travel industry and media, Governor Camacho stated that it was Guam's intention to partner with the private sector and Guam's growing visitor industry to compete effectively as a world-class resort destination that would attract visitors from China and other parts of Asia.²⁵ In February 2008, the airline Continental Micronesia operated four charter flights between Guam and China. The Guam Visitors Bureau is hoping that this will enable them to tap into an affluent Chinese tourist market.²⁶

31. To accommodate the growing number of visitors, groundbreaking took place in August 2007 at Guam's Antonio B. Won Pat International Airport for a \$2.5 million project to construct a multimodal facility which will serve as a regional air and freight forwarder hub.²⁷ In September 2007, Guam International Airport Authority received a discretionary grant of \$6.8 million from the Federal Aviation Administration of the United States Department of Transportation. The grant will

²¹ www.house.gov/bordallo, 12 December 2007.

²² www.guampdn.com, 1 March 2007; Economic Forecast — Guam Edition 2006-2007, First Hawaiian Bank, p. 3.

²³ *Pacific Daily News*, www.guampdn.com, 1 January 2008.

²⁴ <http://www.guam.gov>, 19 September 2007.

²⁵ <http://www.guamairport.com>, 29 August 2007.

provide federal funding for phase five of a project to replace and upgrade the water supply system at the international airport, which will help improve water pressure for fire protection and air conditioning.²⁶

32. As part of the service sector, Guam has also developed a financial component. The island's financial system includes commercial banks, a savings and loan association, investment banks, finance companies and venture capital firms.²⁷

C. Transport and communications

33. As of 2008, the transport infrastructure of Guam comprised five airports, of which Guam's international airport is the most modern in the Western Pacific; approximately 1,000 kilometres of roadways, almost all paved; and one port.²

34. In February 2008, the Government of Guam signed an agreement with a California-based corporation to manage a \$140 million road system upgrade. Governor Camacho said that the project is part of a billion-dollar master plan, which would include the expansion of Guam's international airport, as well as improvements to the Apra Harbour seaport over the next five years.²⁸

35. The Port Authority of Guam, which is a public corporation and an autonomous agency of the Government of Guam, administers the commercial port facilities at Apra Harbour. It is the entry point for 95 per cent of all goods entering Guam and serves as a trans-shipment centre for Micronesia. In February 2008, the Port Authority of Guam opened negotiations with two ocean carrier companies, which plan to spend between \$12 million and \$15 million to buy, refurbish, ship and install three gantry cranes at the seaport to ensure that ships are not left with unloaded cargo in the event of the breakdown of the port's two cranes. The firms involved account for about 80 per cent of all cargo shipped to Guam and their cargo volumes are expected to surge with the military-related construction projects.²⁹

36. Guam continues to serve as a major telecommunications hub for the Asia/Pacific rim. Guam has a modern digital telephone system, including cellular mobile service and local access to the Internet. The system is integrated with United States facilities for direct dialling, including free use of "800" numbers.

D. Water system, sanitation and utilities

37. Approximately 74 per cent of the island's water supply is provided by the Guam Waterworks Authority (GWA). The Government's water sources consist of groundwater and surface water (Ugum River). The remainder is produced by the air force and naval installations on Guam. The Navy water source is a surface reservoir (Fena Lake) in the southern part of the island, for which a \$2.5 million bypass was constructed in 2007. During the fiscal year 2007, GWA spent just over \$3 million on purchasing water from the Navy. In October 2007, the Navy doubled the amount it charges GWA, from \$2.09 per thousand gallons to \$4.05, meaning that GWA would

²⁶ <http://www.house.gov/bordallo>, 4 September 2007.

²⁷ Guam Business Opportunities Report, July 2007.

²⁸ *Mariana Variety*, 14 February 2008.

²⁹ *Pacific Islands Report*, 11 February 2008.

be spending approximately \$6 million on water from the Fena plant. The figure was later reduced to \$3.25 per thousand gallons in November 2007, following talks between Congresswoman Bordallo, the Assistant Secretary of the Navy for installations and environment, B. J. Penn, and the Joint Guam Program Office Executive Director, David Bice.³⁰

38. In February 2007, the Consolidated Commission on Utilities approved a Guam Waterworks Authority master plan after three years of consultations. The plan calls for \$900 million worth of projects to be completed over the next two decades, and will be reviewed every two years. The plan was developed to help improve water and wastewater service on Guam.³¹

39. In line with these objectives, GWA has implemented three projects to decrease the amount of water it purchases from the Navy yearly by at least 25 per cent, once completed.³² In January 2008, the United States Environmental Protection Agency issued two fines against GWA following its failure to meet court-ordered deadlines for the installation of electronic meters for residents, and for a full renovation of the Ugum drinking water treatment plant.³³

V. Military issues

40. Guam was administered by the United States Navy until 1950, and remains the site of extensive United States naval and air force installations. Petroleum storage, munitions stowage, extensive communications facilities and other service industries that cater to the military establishment form the basis of the military infrastructure in Guam. There are currently some 14,000 United States military-related people living in Guam. There are four submarines based in Apra Harbour, with the USS *Ohio* having arrived in early 2008. The USS *Ohio* alone has a crew of 17 officers, 15 chief petty officers and 122 enlisted men.³⁴

41. Following a decision of the United States Government in 2005 to realign United States Marine Corps capabilities in the Pacific region, approximately 8,000 United States military personnel and some 9,000 family members are to be transferred to Guam from Okinawa. According to Congresswoman Bordallo, an investment of \$14 billion is planned. The Government of Japan has authorized \$6 billion to support the realignment of troops and the United States Government has pledged \$4 billion, with a further \$4 billion programmed in future budgets for infrastructure at the Naval Base Guam and Anderson Air Force Base. Ms. Bordallo has also called for a memorandum of understanding between federal agencies and the Government of Guam to ensure a firm commitment of future federal resources.³⁵ Related to the large increase in population is the need to improve infrastructure. Preliminary infrastructure to support the military move alone, outside of military facilities has been estimated to cost \$945 million.³⁶ The military expansion is

³⁰ <http://www.kuam.com>, 9 November 2007.

³¹ *Ibid.*, 30 January 2007; Water Resources Master Plan — Commonly Asked Questions, www.guamwaterworks.org, 21 March 2007.

³² <http://www.kuam.com>, 26 September 2007.

³³ *Pacific Daily News*, 16 January 2008.

³⁴ *Marianas Business Journal*, 8 January 2008.

³⁵ *Pacific Daily News*, 1 February 2008.

³⁶ Economic Forecast — Guam Edition 2006-2007, First Hawaiian Bank, p. 9.

anticipated to benefit Guam's economy in the amount of \$1.5 billion per year once the process begins.³⁷

42. On 6 March 2008, at an event held at the Guam Industry Forum for some 1,300 participants, mainly potential bidders for the upcoming military construction projects, David Bice, the chief of the Joint Guam Program Office, a United States military unit handling the build-up of forces in Guam, said that it was preparing to start full-scale construction in 2010 of infrastructure facilities related to the build-up so as to relocate the Marines from Japan's Okinawa Prefecture by 2014. Mr. Bice said the whole build-up project would draw nearly 19,000 military personnel and nearly 20,000 family members to Guam. The envisaged relocation of the 8,000 Marines and their dependents from Okinawa would be a key component. Mr. Bice informed the participants that the military intended to come up with a draft-plan for the exercise by April 2008.³⁸ For his part, Governor Camacho called upon the Japanese and United States Governments for help in carrying out the build-up project, saying that the possible project cost of \$3 billion was far beyond the Guam Government's capability to finance.³⁸ On 8 March 2008, the Governor reiterated his calls for more federal aid, saying that he had spent the past year working on efforts to secure appropriations in the 2010 federal budget.³⁹

43. A poll commissioned by the Guam Chamber of Commerce and conducted by a professional research company in February 2008, found that 71 per cent of Guam residents supported an increase in the United States military presence, with nearly 80 per cent of the view that the increasing military presence would result in additional jobs and tax revenue; according to the poll, 60 per cent felt the additional Marines on the island would have a positive effect and would ultimately improve the island's quality of life.⁴⁰

44. Opposition to the military expansion stems mainly from concerns about the sociocultural impact on Guam. In August 2007, Delegate Bordallo met with a gathering of 35 women from the Fuetsan Famalao'an, a prominent women's group in Guam which is active on issues of concern in the sociocultural field, including environmental degradation in connection with the military build-up.⁴¹ The former Guam Senator Hope Cristobal, in a written statement, said that the United States "Congress must responsibly address the cumulative effect of all proposed military projects together with past and current military activity and presence. The effectiveness of past mitigation efforts by the military should be assessed in order to determine the prudence of allowing future mitigation where adverse impact is expected." She also demanded that the people of Guam be fully informed of the results of any environmental studies conducted or being conducted on Guam. Ms. Cristobal went on to say that "a cumulative study is particularly important relative to past military use of our landfill and over 80 contaminated dump sites still existing on Guam that have yet to be cleaned up by the military, despite their placement on the U.S. Environmental Protection Agency cleanup lists for many years." In addition there are concerns of the impact on the infrastructure on Guam. According to a United States Accountability Office study in September 2007, the

³⁷ Ibid., pp. 8-9.

³⁸ Japan Economic Newswire, 6 March 2008.

³⁹ www.kuam.com, 8 March 2008.

⁴⁰ <http://www.guampdn.com>, 18 February 2008.

⁴¹ *Marianas Variety*, 14 August 2007.

military expansion could lead to a breakdown in infrastructure unless the federal Government provides "significant funding".⁴²

45. A team of United States socio-economic experts was scheduled to visit Guam in 2008 to undertake a data collection exercise that will ascertain the impact that the relocation of Marines to Guam would have on the island's education, health-care services, employment opportunities, property values, crime, cost of living and other socio-economic issues.⁴³

46. At its third meeting, on 9 October 2007, the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly was addressed by three petitioners from Guam. The petitioners advocated against the "growing colonization and continued militarization of Guam" by the United States, in what they saw as being in violation of the indigenous Chamorro people's political and civil rights, and to the detriment of the Territory's socio-economic development and environment.⁴⁴

47. With regard to the military's presence on Guam, many Guamanians are still seeking answers from past military activities on the island. A "Right to Know" Commission, set up in 2006, held a meeting in March 2007 to start organizing its work. One of the issues the Commission will look into is toxic environmental contamination, which might have been caused by chemical agents stored and left on Guam by the military.⁴⁵

VI. Land issues

48. As reported in previous working papers, the question of land use and ownership is a major and ongoing consideration on Guam. This question comprises two major issues: (a) the return of unused or underutilized lands held by the Department of Defense; and (b) the return of those lands to the original Chamorro landowners. In 1994, Congress passed the Guam Excess Lands Act (Public Law 103-339) to return 3,200 acres to the people of Guam. The latest available data show that in 2005, a total of 180 parcels of land benefiting 2,000 families had been returned, 7 parcels more than the previous year (see A/AC.109/2006/8).

49. According to preliminary forecasts, all future military growth was expected to take place on the 39,000 acres of existing military-owned real estate on Guam, which represents almost a third of the Territory's land area.⁴⁶ However, on 8 March 2008, it was reported that the company Younex International had purchased on Guam, for \$21 million, 1,021,000 square meters of strategically placed property, land which formed part of the so-called ancestral lands returned to the original landowners (see also para. 48 above). A company representative from Younex was quoted as saying that his company was ready to build facilities needed by the military if it made financial sense.⁴⁷

⁴² *The Washington Post*, 25 January 2008.

⁴³ www.guampdn.com, 11 February 2008.

⁴⁴ General Assembly press release, GA/SPD/372, 9 October 2007, www.un.org/News/Press/docs/2007/gaspd372.doc.htm.

⁴⁵ www.kuam.com, 27 February 2007.

⁴⁶ *Economic Forecast — Guam Edition 2006-2007*, First Hawaiian Bank, p. 8.

⁴⁷ *Pacific Daily News*, 3 March 2008.

VII. Social conditions

A. Law and order

50. In May 2007, the Governor announced the opening of new police and fire stations in Dededo, including a new Emergency Operations Center.⁴⁸

51. In October 2007, a new law was passed requiring all persons convicted of criminal sexual conduct or of a crime against a minor to register with the Guam Sex Offender Registry. The law also strengthens the local Sex Offender Registration and Notification Program requirements.⁴⁹ The law was passed months after a police investigation led to the arrest and detention of 7 adults and 18 minors for their participation in an organized crime and prostitution ring.⁵⁰ Also in October, the Attorney General's Office hosted a three-day conference to spread awareness about physical and sexual abuse towards children.⁵¹

B. Labour

52. According to the Guam Department of Labor, the number of both private sector and government jobs on Guam increased by 1,590 jobs, or 2.7 per cent, over the period from September 2006 to September 2007, reaching 59,550 registered jobs. While employment in manufacturing, transportation and public utilities and retail trade decreased, increases were seen for jobs in the service sector and public sector; with the construction sector experiencing the largest increase, that is, 1,450 jobs, or 35 per cent.⁵² The latest available statistics from 2006 show that about 20,000 jobs on the island (approximately 35 per cent of total jobs) are tourism-related.⁵³

53. The last unemployment rate available for Guam is from March 2006, when it stood at 6.9 per cent. This represents a strong decrease since 2000, when it reached more than 15 per cent.⁵⁴

54. A federal regulation that prevented skilled non-immigrant foreign workers from working in military construction projects in the Territory was lifted at the end of 2006.⁵⁵ Officials have estimated that as many as 20,000 skilled construction workers will be needed on the island for that work. In 2006 the island had about 5,000 construction workers.⁵⁶ In July 2006, the Governor also signed Bill 261 into law, which created a registered apprenticeship programme and authorized the Department of Labor to contract with businesses and offer incentives in order to further develop a much-needed skilled workforce.⁵⁷ According to the administering

⁴⁸ <http://www.kuam.com>, 16 May 2007.

⁴⁹ *Ibid.*, 26 October 2007.

⁵⁰ *Ibid.*, 7 September 2007.

⁵¹ *Ibid.*, 9 October 2007.

⁵² www.guamdol.net, September 2007, Current Employment Report.

⁵³ Economic Forecast — Guam Edition 2006-2007, First Hawaiian Bank, p. 3; Guam Visitors Bureau, Five-Year Strategic Plan, pg. iv.

⁵⁴ Economic Forecast — Guam Edition 2006-2007, First Hawaiian Bank, p. 5.

⁵⁵ Bill No. 323, www.guamlegislature.com/bills.htm, 30 December 2006.

⁵⁶ www.pacificmagazine.net, 19 September 2006.

⁵⁷ www.kuam.com, 19 July 2006.

Power, the apprenticeship registration programme is still pending approval by the United States Department of Labor Bureau of Apprenticeship and Training.

C. Education

55. Guam has an extensive public and private education system. The public education system includes the University of Guam, Guam Community College, 4 public high schools, 7 middle schools, 25 elementary schools and an alternative school, which together serve over 30,000 students. The private system includes 2 business colleges, 5 high schools and several elementary schools, most of which are affiliated with Roman Catholic and Protestant religious denominations.

56. In his February 2007 State of the Island Address, Governor Camacho announced the building of four new public schools on Guam over the next two years — two elementary schools, one middle school, and one high school. As of February 2008, all four schools were still under construction but all were expected to be finished before the end of 2008.⁵⁸ There is, however, resentment among part of the local population over what is perceived as the lack of funding for Guam's local schools, as compared to schools set up for children of the military personnel. This could be a factor in the Governor's stated goal for the future of a school system integrating civilian and military students.⁵⁸ In February 2007, the Guam Education Policy Board approved a \$234 million budget for the Guam Public School System for fiscal year 2008.⁵⁹

D. Public health

57. Life expectancy of Guamanians for 2008 was 75.7 years for male and 82 years for female.² The major health facility in Guam and the Federated States of Micronesia, the Guam Memorial Hospital, is owned by the Government and has 192 beds, including 159 beds for acute care. A new Northern Regional Community Health Centre was opened in June 2007, with an expansion of an extra eight examination rooms, at a cost of over \$2 million.⁶⁰ The community centre will maintain its focus on providing primary care since it is not equipped to cope with emergency cases.⁶¹ The Guam Department of Public Health operates about a dozen medical and dental clinics.¹

58. The United States Naval Hospital serves military personnel and dependants as well as veterans. The United States Navy plans to spend almost \$300 million on a new hospital to replace an outdated facility while preparing for the influx of marines in the next few years. Groundbreaking is planned for 2008 with construction of a hospital generally taking three to five years.⁶²

59. Guam has a serious shortage of doctors and nurses and lack of bed space at its hospitals. In May 2007, the recruitment of physicians was the main discussion item at a meeting of the Guam Board of Medical Examiners, and a suggestion was made

⁵⁸ www.guamgovernor.net, 10 April 2007.

⁵⁹ www.kuam.com, 28 February 2007.

⁶⁰ <http://www.kuam.com>, 15 June 2007.

⁶¹ www.guampdn.com, 7 March 2007.

⁶² www.estripes.com, 6 July 2006.

to recruit physicians from the Philippines and Taiwan owing to the difficulty of attracting doctors from mainland United States, and the possibility of changing the standards for licensure or certification of off-island doctors.⁶³

60. In February 2008, two major Australian companies expressed an interest in managing the Guam Memorial Hospital, and Governor Camacho held discussions with the Chief Executive Officer of Cairns Private Hospital about the possibility of students from Guam receiving medical training in Australia.⁶⁴

E. Housing

61. According to one of Guam's major real estate groups, the island's real estate market reached new heights in 2007. This surge is attributed to expectations about the military build-up, coupled with low interest rates. Annual sales figures equalled \$686.8 million, up 58 per cent from 2006 and nearly five times the 2003 figure of \$145.9 million. That reflects a strong growth since the downturn in the earlier part of the decade, when the annual sales figure was \$120 million. In the residential sector, the annual median price of a Guam single-family dwelling increased by 19 per cent in 2007, to \$196,850, a 71 per cent increase over the 2003 figure, while the average price of condominiums increased by 21 per cent, to \$144,850, approximately double 2003 prices.⁶⁵

F. Immigration

62. A major issue in the federal Government's relations with Guam is migration from the Freely Associated States of the Marshall Islands, Micronesia (Federated States of) and Palau. The Compact of Free Association Act of 1986, which established the relationship between the United States and the Federated States of Micronesia, and the Marshall Islands, authorized unrestricted migration from those Pacific island nations to the Territories and possessions. The Act enabled citizens of the Freely Associated States to enter Guam and to engage lawfully in occupations as non-immigrant aliens.⁶⁶ Those immigrants and their American-born children have settled in Guam, Hawaii and the Northern Mariana Islands, which has strained the resources of recipient States and Territories.

63. On 12 December 2007, the House of Representatives passed the Northern Mariana Islands Immigration, Security, and Labor Act, which applies United States federal immigration laws to the Commonwealth of the Northern Mariana Islands and provides a congressional delegate to represent the region. According to Congresswoman Bordallo, there are two provisions in the Act of importance for Guam. First, is the establishment of a unified, regional visa-waiver programme for both Guam and the Commonwealth of the Northern Mariana Islands, modelled on the Guam-only visa-waiver programme. Secondly, the bill provides for the possibility of authorizing entry of temporary skilled and unskilled workers to Guam

⁶³ <http://www.kuam.com>, 17 May 2007.

⁶⁴ *Ibid.*, 5 February 2008.

⁶⁵ www.pacificmagazine.net, 14 February 2008.

⁶⁶ United States Department of the Interior, Office of Insular Affairs, Report on the State of the Islands, 1999, chap. 4.

and the Commonwealth of the Northern Mariana Islands to meet the demands associated with the military build-up.⁶⁷

64. In order to reimburse Guam, the other Territories and Hawaii for the cost of providing government services for regional immigrants, the federal Government has issued Compact-impact funding. In December 2003, the Compact of Free Association Amendments Act of 2003 was passed, renewing the original Compact of 1986 for another 20 years. Additional Compact-impact reimbursement is authorized if impact costs rise above the mandatory appropriation of \$30 million per year. An estimated \$12 million to \$14 million in annual funding is expected for Guam. The Compact-impact allocation to Guam of \$14.2 million in 2006 remained the same for 2007.⁶⁸

G. Human rights and related issues

65. The question of human rights in Guam is mostly centred on the rights of the indigenous peoples. See paragraphs 12 to 14 above, with regard to the issue of self-determination, and paragraphs 44 to 47 above, with regard to concerns about the impact of the military build-up in relation to socio-economic issues and Guam's environment. (More information on human rights and related issues can also be found in the 2003 working paper (A/AC.109/2003/15).)

VIII. Environment

66. Guam continues to experience environmental problems related to the United States occupation during the Second World War (see A/AC.109/2001/4, para. 83, and A/AC.109/2005/7, para. 67, and A/AC.109/2007/16, para. 83). In August 2007, Guam Senator Ben Pangelinan requested that the United States House Judiciary Committee hold a public hearing to expand the federal Radiation Exposure Compensation Act to include residents of Guam. The request was based on scientific findings which stated that Guam had received significant radiation exposure during the atomic test periods in the Marshall Islands in the 1950s.⁶⁹

67. With regard to contamination, a \$13 million cleanup project at a 1945 United States Air Force dumping ground at Urunao is now halfway completed. Some 30,000 pieces of munitions or explosives of concern have been found and disposed of so far.⁷⁰

68. The severity of the issue has been emphasized by Professor Szyfres of the University of Guam College of Natural and Applied Sciences, who stated that although there might no longer be dumpsites of toxic chemicals on Guam, the island's soil and groundwater remain contaminated. Professor Szyfres also pointed to a report by the Government of Guam, which showed that in comparison to the continental United States, many diseases, including types of cancer, are more prevalent on the island than on the Mainland.

⁶⁷ www.kuam.com, 12 December 2007.

⁶⁸ www.house.gov/bordallo.

⁶⁹ www.kuam.com, 13 August 2007.

⁷⁰ Ibid., 23 January 2008.

69. On 14 December 2007, the District Court of Guam Chief Judge, Frances Tydingco-Gatewood, issued a court order that required the immediate closure of Guam's Ordot dump, which continued to pose grave health hazards to the inhabitants of the surrounding villages. The Court also ordered the payment of \$2.8 million in penalties, and condemned a proposed new landfill site at Layton. In response, Governor Camacho urged the Court to consider requiring the federal Government's assistance in shutting down the facility, as it had been a United States military dump in the 1960s. The Governor stated that it would take at least two years for a new landfill to be operational; meanwhile, he would encourage recycling to prolong the usage of the Ordot dump.⁷¹ On 8 January 2008, the Guam Government submitted its Ordot Dump closure report to the Court, and on 25 January it deposited \$2.8 million into the federal court savings account as instructed by the Court.⁷²

70. With regard to the Territory's coastline, the year 2008 was recently designated the "Guam Year of the Reef". The Administrator for the Guam Coastal Management Program said that a number of events would be held to educate people and promote the protection of the reefs on Guam, including an international coastal cleanup, along with a symposium on the coral reef, scheduled for April 2008.⁷³

IX. Future status of the Territory

A. Position of the territorial Government

71. Developments regarding discussions on the future status of Guam are reflected in section II above.

B. Position of the administering Power

72. At the sixty-first session of the General Assembly, speaking on 22 December 2006, in explanation of vote after the adoption of resolution 61/231 on the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies, the United States representative *inter alia* stated the following:

"The very term 'non-self-governing' seems inappropriate for territories able to establish their own constitution, elect their own public officers, have representation in Washington, D.C., and choose their own economic path. The United States was fully supportive when countries chose independence, and was proud to welcome them as equal and sovereign partners. In the case of Territories that did not choose independence, however, the United States has also supported the right of people in those Territories to a full measure of self-government, including the rights to integration and free association. The United States calls upon all Member States to respect the choices made by residents of Non-Self-Governing Territories" (see A/61/PV.84).

⁷¹ www.mvariety.com, 19 December 2007.

⁷² *Ibid.*, 25 January 2008.

⁷³ <http://www.guam.com/news/26319.aspx>.

73. The Assistant Secretary of State for legislative affairs, in a letter dated 2 November 2006 to an American Samoa Congressman, outlined the position of the United States Government on the status of American Samoa and other United States Insular Areas. The Assistant Secretary's letter noted that the status of those Insular Areas regarding their political relations with the federal Government were United States internal issues and not those of the Special Committee on Decolonization. The letter also noted that the Committee had no authority to alter in any way the relationship between the United States and those Territories and no mandate to engage the United States in negotiations on their status. The letter further stated that at the same time, under its United Nations Charter obligations to provide regularly to the United Nations statistical and other information of a technical nature relating to economic, social and educational conditions in the Territory, the federal Government did submit annual updates about the United States Territories to the Committee as a demonstration of United States cooperation as an administering Power. The annual reports were also an opportunity to correct any errors in information the Committee might have received from other sources. The General Assembly had agreed in 1960 to a set of principles governing whether a territory was non-self-governing and the United States would have to provide the Committee with information showing that those principles were satisfied before the Committee would agree to "de-list", these Insular Areas.⁷⁴

C. Action taken by the General Assembly

74. On 17 December 2007, the General Assembly adopted, without a vote, resolutions 62/118 A and B, based on the report of the Special Committee transmitted to the General Assembly⁷⁵ and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (A/62/412). Section VI of resolution 62/118 B concerns Guam. Under that section's operative paragraphs, the General Assembly:

1. *Calls once again upon* the administering Power to take into consideration the expressed will of the Chamorro people as supported by Guam voters in the plebiscite of 1987 and as provided for in Guam law, encourages the administering Power and the territorial Government of Guam to enter into negotiations on the matter, and requests the administering Power to inform the Secretary-General of progress to that end;
2. *Requests* the administering Power to continue to assist the elected territorial Government in achieving its political, economic and social goals;
3. *Also requests* the administering Power, in cooperation with the territorial Government, to continue to transfer land to the original landowners of the Territory, to continue to recognize and respect the political rights and the cultural and ethnic identity of the Chamorro people of Guam and to take all necessary measures to respond to the

⁷⁴ <http://samoanews.com>, 7 November 2007.

⁷⁵ *Official Records of the General Assembly, Sixty-second Session, Supplement No. 23 (A/62/23)*.

concerns of the territorial Government with regard to the question of immigration;

4. *Further requests* the administering Power to cooperate in establishing programmes specifically intended to promote the sustainable development of economic activities and enterprises, noting the special role of the Chamorro people in the development of Guam;

5. *Recalls* the request by the elected Governor to the administering Power to lift restrictions to allow for foreign airlines to transport passengers between Guam and the United States of America to provide for a more competitive market and increased visitor arrivals;

6. *Requests* the administering Power to assist the Territory in facilitating public outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations, and calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested, in support of such efforts.